
THE ROLE OF THE BRAND IN BRINGING COMPETITIVE ADVANTAGES

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Abstract:

No product, service or company can keep, in our days, competitive advantages on long terms. Technology, globalisation and the access at information make like every product or service can be retorted in a very short time. The only real good that a company owns is that good from the consumer's mind. The only real good is the brand.

The brand can also be named the marketing's heart. Marketers say that using the brand is the art and the key of marketing.

Keywords: *brand, competitive advantage, loyalty, brand's capital*

The most distinguished competence of a professional marketer is his capacity of creating, supporting, protecting and amplifying the effect of the brands that he sells.

The major importance of brand in marketing caused the apparition of a new science, which studies the brand in special, called branding.

The branding is the process of creating and sustaining the brand, it is a sum of methods used by a company or a product to communicate with its audience and explore its sustainable competitive advantages.

In branding, like in every other field, it's important only what is in people's mind. The mind creates desire, value, loyalty or power. What is a powerful brand if not a word that gives strong emotions that causes desire and loyalty over the reason?

Finally, the brand will be confirmed such as the most important property of a company, the only whose value will increase in time. The intelligent companies will orientate to the brand seeing its huge business potential.

At the end, the brand is that which will make the difference between glory and unknown. In this way, the place of brand in marketing is a central one, of a major importance, it is the key of a company's activity success. It brings competitive advantages for a company in a highly competitive environment.

American Marketing Association defines brand like: "The brand is a name, a term, a mark, a symbol, a picture or a combination of all these which help somebody to identify the goods or services of one seller or group of sellers and also make the difference between these goods or services and those ones of the competitors."

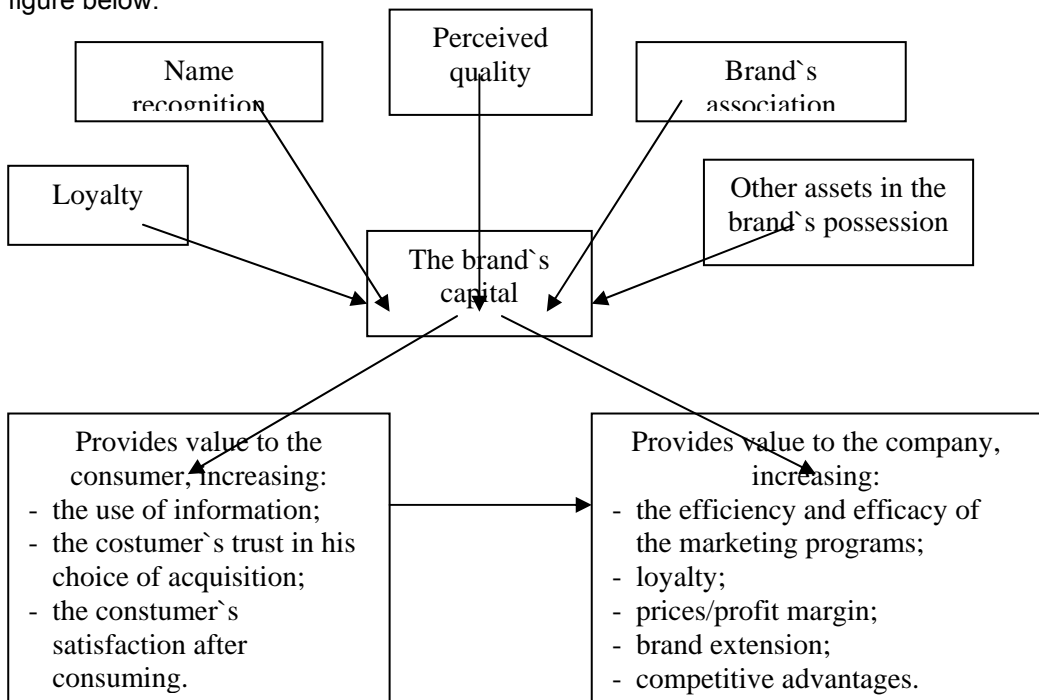
The battle in marketing will be between brands, the competition for the best brand. Businessmen and investors will agree with the idea that brands are the most precious company's assets. The importance of this concept is essential. Not the possessing of the factories but the possessing of the markets counts and this is possible by owning powerful brands.

A brand means all that you want to communicate about your product or company to the consumer but also what you tell without intention. In fact, it is what consumer and through extension, the environment thinks about that product or company, hearing its name or seeing its symbol.

The consumers are not interested only by tangible benefits of a product or service but in special about intangible benefits like imagine, prestige, etc that they will get using that brands. This will bring bigger incomes for the owners of market prized brands.

For the company, the benefits that the branding process brings refer at: It distinguishes the product from the ones of the competitors in a unique way, relevant for the clients and providers; It increases the perception of the product's value; It gives the possibility of releasing new products more quickly and efficiently.

The brand's capital concept, with its elements (loyalty, name recognition, perceived quality, brand's association, other assets in the brand's possession: patents, registered trademark) and the value for the consumer and company is illustrated in the figure below:



The brand's capital

Adapted from David Aaker, The management of a brand's capital,
Brandbuilders Grup Publisher, Bucharest, 2005

The brand gives value to the product even from the moment of releasing it.

In order to get a successful brand there are some important steps to be made, from developing of the branding strategy, the functional elements and their implementation through marketing programs, feedback analyses of the market and the communication of the message in accordance with the market needs.

It's very important that the branding process to serve the major objectives of the company in agreement with the short and long term strategy.

For the positioning of our product against the competitors, it's necessary to make a deep analyses about their products, to find our product's values on the market and the favorable niches. Clients are one of the most important sources of information. Interviewing them you can get information about the important values of your brand and the place of your product and the one of the competitor in the customer's mind.

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